

HAYWARD SUCCESSOR AGENCY OVERSIGHT BOARD

RESOLUTION NO. 2015-04

RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD APPROVING AN AMENDMENT TO A PROFESSIONAL SERVICES AGREEMENT WITH AMEC FOSTER WHEELER ENVIRONMENT AND INFRASTRUCTURE INC.

WHEREAS, the Redevelopment Agency of the City of Hayward (the "Former Agency") was required to remediate groundwater contamination under the Cinema Place property (the "Property") pursuant to a Risk Management Plan approved in 2006 by the Regional Water Quality Control Board (the "Risk Management Plan"); and

WHEREAS, The Former Agency entered into a professional services agreement with AMEC E&I in 2011 (the "Professional Services Agreement") to perform the remediation work at the Property as required under the Risk Management Plan; and

WHEREAS, AMEC E&I has undergone a corporate change and is now called AMEC Foster Wheeler Environment & Infrastructure; and

WHEREAS, the Designation of Primary Provider of Services and Notices information in the original contract has changed; and

WHEREAS, additional time is needed to complete the environmental remediation work at the Property required under the Risk Management Plan; and

WHEREAS, AMEC Foster Wheeler staff are in the process of completing a No Further Action Case Closure Summary for the Regional Water Quality Control Board and this contract extension should allow for the completion and closure of the remediation activities taking place at the Cinema Place site; and

WHEREAS, on February 1, 2012, the Former Agency was dissolved pursuant to Assembly Bill x1 26 (the "Dissolution Act"); and

WHEREAS, pursuant to Health and Safety Code Section 34173, the City Council of the City of Hayward (the "City Council") declared that the City of Hayward, a charter city (the "City"), would act as successor agency (the "Successor Agency") for the dissolved Redevelopment Agency of the City of Hayward (the "Dissolved Agency") effective February 1, 2012; and

WHEREAS, pursuant to AB 1484 ("AB 1484"), enacted June 27, 2012 to amend various provisions of the Dissolution Act, the Successor Agency is now declared to be a separate legal entity from the City; and

WHEREAS, pursuant to Health and Safety Code Section 34181, the Oversight Board must approve amendments to enforceable obligations; and

WHEREAS, the Professional Services Agreement will enable the Successor Agency to expeditiously wind down the affairs of the Former Agency by ensuring that the remediation work required at the Property is completed as required under the Risk Management Plan; and

WHEREAS, by the staff report accompanying the Resolution and incorporated into this Resolution by this reference (“Staff Report”), the Oversight Board has been provided supporting information upon which the actions set forth in this Resolution are based.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board hereby finds and determines that the foregoing recitals are true and correct, and together with the following documents and information from the basis for the approvals, authorizations, findings, and determinations set forth in this Resolution: (1) the Staff Report; and (2) information provided by the consultant, Successor Agency staff and the public.

BE IT FURTHER RESOLVED that the Oversight Board finds and determines that, in conformance with Health and Safety Code Section 34181(e), the amendments to the Professional Services Agreement adopted in this Resolution: (1) do not increase the liabilities of the Successor Agency or reduce the new revenues available to taxing entities; and (2) are in the best interests of the taxing entities because they will allow for the full completion of the remediation work at the Property as required under the Risk Management Plan, thereby reducing the potential liability of the Successor Agency resulting from incomplete environmental remediation and reducing the likelihood of future litigation associated with failure to adequately clean-up the Property to the standards required under the Risk Management Plan.

BE IF FURTHER RESOLVED that the Oversight Board authorizes and directs the City Manager to execute the amendment to the Professional Services Agreement on behalf of the Successor Agency to effectuate and implement the terms of this Resolution, in a form approved by the Successor Agency signatory and the Successor Agency Counsel, such approval to be evidenced by the executing of such agreement.

BE IT FURTHER RESOLVED that the Successor Agency is hereby directed to notify the California Department of Finance of the actions set forth in this Resolution in accordance with Health and Safety Code Sections 34179(h).

BE IT FURTHER RESOLVED that this Resolution shall take effect conditioned upon the formal approval of the Department of Finance at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

HAYWARD, CALIFORNIA, May 18, 2015

ADOPTED BY THE FOLLOWING VOTE

AYES:	BOARD MEMBERS:	Halliday (Chair), Henson, Hodges,
		Bristow, Willis

NOES: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS;

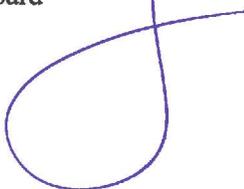
ABSENT: BOARD MEMBERS:

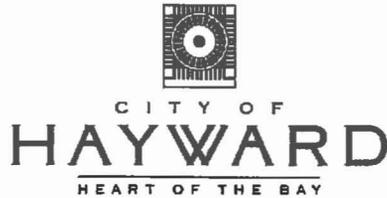
Valle, Brunner

ATTEST:



Chair of the Oversight Board





DATE: May 18, 2015

TO: Chair and Members of Successor Agency Oversight Board

FROM: Assistant City Manager

SUBJECT: Approval of an Amendment to a Professional Services Agreement with AMEC Foster Wheeler Environment and Infrastructure, Inc. (AMEC FWEI) for Environmental Remediation Efforts at the Cinema Place Property.

RECOMMENDATION

That the Oversight Board adopts the attached resolution (Attachment I) authorizing the City Manager to negotiate and execute a contract amendment with AMEC Foster Wheeler Environment and Infrastructure, Inc., for environmental remediation efforts at the Cinema Place Property required under the approved Risk Management Plan.

BACKGROUND

In September 2006, staff identified to the former Redevelopment Agency Board that there were contaminated soil and groundwater issues associated with chlorinated solvents from historic on-site dry cleaning operations at the site of the Cinema Place project (the "Property"). Earlier in 2006, the Regional Water Quality Control Board (RWQCB) approved a Risk Management Plan (RMP) for the Property, which allowed construction to commence with specific procedures outlined for soil handling. Around that time, the RWQCB identified requirements for a more proactive approach to dealing with groundwater contamination issues in general on the Property. Of particular concern was a high level of contamination in the groundwater under the southern portion of the alley which runs from B Street to C Street between the complex and the adjacent existing buildings.

The RWQCB asked for further vertical and horizontal characterization of the extent of the groundwater contamination with borings up to 100 feet deep to obtain groundwater samples and borings up to 40 feet deep for soil samples. At the time, the RWQCB indicated that they would likely require remediation of contamination in the groundwater and the Agency Board amended an existing contract with AMEC E&I to perform the additional investigation and develop remediation options. The RWQCB did in fact approve the Technical Report, Additional Investigation Results and Proposed Remedial Alternative in late 2008.

Between 2008 and 2010, AMEC E&I worked with staff on a pilot program to test the proposed remediation and to determine how best to implement the final groundwater remediation. In December 2010, AMEC E&I presented the draft *Results of Pilot Test and Proposed Final Remedial Action* for City review.

AMEC E&I then submitted a scope of services and cost estimate to perform the activities necessary to implement the Final Remedial Action Plan. This consisted of the installation of zero-valent ion (ZVI) permeable filled borings (PEBs) to treat chlorinated volatile organic compound (COVC)-affected groundwater beneath Parcel 2 of the Property. In March of 2011, the City Council, acting as the Redevelopment Agency Board, approved an agreement with AMEC E&I to perform this remediation work, including the semiannual required groundwater monitoring to assess the performance of the groundwater remedy and to satisfy the groundwater monitoring requirement of the June 2006 *Revised Risk Management Plan (RMP)* for the site.

DISCUSSION

Since 2011, AMEC E&I has been working with former Redevelopment Agency staff and the property owner to complete the remediation work on the Property. The City Council and Oversight Board have previously authorized the continuation of this work and payment of the contract through the Recognized Obligation Payment Schedules approved pursuant to the processes set forth in Health and Safety Code Section 34180(g) and 34177(j). Recently, AMEC E&I underwent a corporate change and is now known as AMEC Foster Wheeler Environment and Infrastructure, Inc., requiring an amendment to their current agreement with the Successor Agency.

In addition, there is additional time needed to complete the remediation work. Staff is requesting authorization to amend the agreement extending the termination date to December 31, 2015. Additionally, there were changes to the Designation of Primary Provider of Services and Notices sections of the contract.

The amendments to the contract do not increase the liabilities of the Successor Agency or otherwise reduce the net revenues available to taxing entities. Moreover, the amendments to the contract are in the best interests of the taxing entities because the amendment will allow for the full completion of the remediation work at the Property as required under the RMP, thereby reducing the potential liability of the Successor Agency resulting from incomplete environmental remediation. It will also reduce the likelihood of future litigation associated with failure to adequately clean-up the Property to the standards required under the RMP.

AMEC Foster Wheeler staff are in the process of completing the No Further Action Case Closure Summary on the property for the RWQCB. This contract extension should allow for the completion and closure of the remediation activities taking place at the Cinema Place site.

FISCAL IMPACT

No additional funding is needed for this request – the amendment requires only a name change of the payee and contract time extension only. The Oversight Board had previously approved payment of this agreement on prior ROPs. There is approximately \$75,700 remaining on this contract. If there are any

unspent funds when the contract work is complete, these funds would ultimately be redistributed to the taxing entities in accordance with the provisions of the Dissolution Statutes.

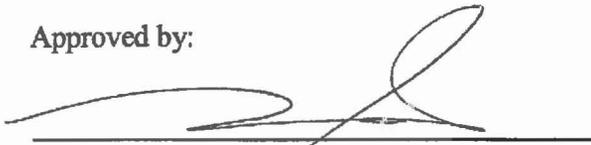
NEXT STEPS

The City Manager will execute a contract amendment with AMEC E&I, Inc., to complete the services outlined in the scope of work.

Prepared by: John Stefanski, Administrative Analyst

Recommended by: Kelly McAdoo, Assistant City Manager

Approved by:

A handwritten signature in black ink, appearing to read 'Fran David', is written over a horizontal line.

Fran David, City Manager

Attachments:

Attachment I Resolution